

ARIZONA CORPORATION COMMISSION

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AUSF UPDATE: FCC Approves the Arizona Universal Service Fund to Award State Matches for Special Construction of Broadband Infrastructure for Arizona Schools and Libraries

(Phoenix) At March's Open Meeting, the Corporation Commission approved changes to the Arizona Universal Service Fund (AUSF), providing \$8 million in state funding for schools and libraries across the state to access high speed broadband internet services. In combination with Governor Ducey's \$5 million broadband funding proposal, these state funds could draw down more than \$100 million in federal E-Rate funds to pay for special construction of broadband infrastructure for schools and libraries. The Commission worked to create this innovative broadband program with the Governor's Office, the Superintendent of Public Instruction, the Secretary of State, and the non-profit *EducationSuperHighway*.

E-Rate is a federal program that provides discounts to schools and libraries for affordable telecommunications and internet access. In December 2014, the Federal Communications Commission (FCC), which oversees the E-Rate program offered enhanced discounts for special construction of broadband infrastructure based on a dollar-for-dollar state match up to 10% of the total project cost. Yesterday, the FCC approved the Commission's new AUSF plan as a state matching fund.

Commissioner Andy Tobin welcomed the news, saying, "Thanks to the decisive action of this Commission and the excellent work of our Staff, in coordination with the Governor's Office, the Superintendent of Public Instruction, the Secretary of State, and the *EducationSuperHighway*, we positioned Arizona to potentially access over \$100 million in critical infrastructure funding from the federal government. This incredible collaboration shows what can be accomplished when government works together to find solutions for our constituents. I look forward to working with Arizona Department of Education over the next two years to administer these funds in a timely manner, ensuring broadband access for students all across our state."

Commissioner Bob Burns also praised the recent FCC approval.

"With so many students lacking basic internet access, securing these funds remains a top priority," said Commissioner Bob Burns. "High-speed connectivity will allow Arizona's students to utilize technology, which includes access to Arizona's internationally recognized Telemedicine Program with its grades seven through twelve pre-med introduction course to dramatically increase their educational aptitude and overall chances for success,"

Commissioner Tobin and Commissioner Boyd Dunn were in Washington recently to discuss the program and other efforts to increase connectivity for public safety and hospitals. The meeting helped coordinate the process in order to fully capitalize on the federal matching dollars available. The Commissioners met with representatives from FirstNet, which is a government agency tasked with expanding communication for first responders. The Commissioners are also working with the Arizona Hospital Association to connect them to the school/library program when possible.

Arizona is one of only eleven states to qualify for this special E-Rate program from the FCC.

Established by Article 15 of the state's constitution, the Arizona Corporation Commission is responsible for the regulation of public utilities, overseeing the incorporation or registration of companies wishing to do business in Arizona. Additionally, the Corporation Commission registers and oversees securities offerings and dealers, and enforces railroad and pipeline safety. The five commissioners that make up the Commission are elected by the people of Arizona for a four-year term, with the option of serving for two consecutive terms. To learn more about the Arizona Corporation Commission and the Commissioners, please check out http://www.azcc.gov/Divisions/Administration/about.asp